

FEBRUARY-MARCH, 1973



The logo consists of the word "CO-OP" in a bold, sans-serif font, enclosed within a white diamond shape with a black outline. Below this, the word "DIGEST" is written in a large, bold, white sans-serif font.

THE CO-OPERATIVE FEDERATION
OF AUSTRALIA

THE CO-OPERATIVE FEDERATION OF AUSTRALIA

- * Is a federation for all types of co-operatives throughout Australia.
- * Is affiliated with the International Co-operative Alliance.
- * Among its objects are:

TO promote the development of co-operative enterprise in all forms in Australia by giving counsel and providing regular opportunities for mutual discussion of co-operative ambitions and problems.

TO advance the claims of co-operative enterprise for adequate, and where necessary protective, legislation and to foster among government and commercial administrative authorities an intelligent understanding of co-operative aims and principles.

TO foster unity within the co-operative movement in Australia.

TO compile reliable statistics of co-operative activity in Australia regarding membership, business turnover, resources, co-operative distribution, and any other details indicating its strength and progress.

TO maintain liaison with international co-operative organisations and to exchange information of mutual advantage in aiding the extension of co-operation.

Members are:

The Co-operative Federation of Queensland; The Co-operative Federation of New South Wales; The Co-operative Federation of Victoria; The Co-operative Federation of Western Australia; The Murray River Wholesale Co-operative Society, South Australia; The Wine and Brandy Co-operative Producers' Association of Australia.

Associate members are:

The Australian Federation of Credit Union Leagues; The Australian Producers' Wholesale Co-operative, Victoria; The Co-operative Insurance Company of Australia; The Eudunda Farmers' Co-operative Society, South Australia; The Newcastle & District Co-operative Society, New South Wales.

CO-OP DIGEST

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Editor
J. Lawrence

CONTENTS

Budget Advice for Co-ops	4
Adult Education	5
Queensland Congress	6
China Mission	7
News in Brief	8-9
Housing Fund Moves	10
\$100m. Turnover	11
Honey Pool Plan	12
ICA Peace Call	14

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Street, Melbourne, for the Co-operative Federation of
Australia. \$1 per year.*

THE Co-operative Federation of Queensland introduced a new service last year with its Objective Budgeting Program.

The federation's Chief Executive Officer, Mr Bill Kidston, writes:

At the request of the board and management, we visit the co-operative concerned and, in conjunction with the management, thoroughly investigate the overall operations of the co-operative.

After discussions with the board about their aims for future net earnings by the co-operative, we do a feasibility study as to whether in fact these aims are considered achievable.

Following this, complete projected budget of future sales, purchase targets and expense targets are drawn up and approved.

We then offer a monthly analytical reporting service on the results, achieved against budget, with highlights of the possible progressive problems which these variations may mean.

Two big advantages have become apparent from this new service in the co-operatives in which it is being operated.

First, before the year begins, board and management have agreed on possible "year-end targets".

Secondly, the monthly reporting service permits co-operatives to take any necessary "remedial action" the

Budget advice for co-ops

month after the problem has started to grow—instead of the old method of waiting three or four months till the audited report has been received and then having to take urgent action in the remaining nine or eight months of the year.

So far, we have confined this service to retailing co-operatives.

We began it early in the year and got the teething problems out of it. Then we introduced it at both the North and South Queensland Seminars—and from there it is just growing and GROWING.

The co-ops concerned meet expenses for the initial investigating days and then pay an annual fee for the monthly confidential reporting service.

A vital role in adult education



ICA made a submission to the third international conference on adult education organised by UNESCO in Tokyo.

The statement includes quotations from several UNESCO resolutions which commend the co-operative movement as a very effective source of adult education, especially in developing countries.

We publish the following extract from the statement by ICA:

"It is important to guard against interpreting the above quotations too narrowly, for this could lead to an erroneous conclusion to the effect that the co-

operative movement's importance in adult education is confined to the developing countries alone.

In actual fact, co-operative education also plays a very important role in advanced countries, both of the market-economy and the planned-economy types. This aspect illustrates the co-operative movement's viability and its relevance to all conditions in countries with the most diverse socio-economic systems.

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from previous page

Co-operative enterprises of various kinds serve as feasible models of economic democracy, promoting the interests of the consumer without making them stand in opposition to the interests of the producer.

Thus they function as powerful instruments of practical, work-related education of the public, by gradually transforming social and economic relations onto the bases of mutual respect, understanding and active co-operation based on self-help.

This applies to co-operatives of all types — consumer, producer, agricultural, credit, housing and others. By mobilising wide sections of the population to organised economic efforts, co-operatives simultaneously become very practical and significant schools of management and self-administration for thousands of 'natural leaders' who work themselves up from grass root level to become higher-level officers, increasingly capable of exercising important functions in the administration and self-government of the municipality or even the state."



Queensland's congress

THE Co-operation Federation of Queensland this year held its 28th annual congress of co-operatives in Brisbane from March 13-15.

Apart from the annual meeting, the federation organised a program of papers and discussions. Papers were given by speakers from within and outside the co-operative movement on the following subjects:

- Planning the financial reconstruction of a co-operative — Money is measured by the service it gives.
- Staff relationship and communication.
- The case for the retention of the co-op rebate system.
- The case for substitution of an instant discount.
- The necessity to create a co-op image in keeping with activities.
- Co-operation at home and abroad.
- What's ahead in retailing.
- Planning an effective superannuation policy.
- Facing the non-user member problem.

A conference of general managers and departmental supervisors of retail co-operatives operating drapery and clothing departments was held before the congress.

CHINA MISSION

WESFARMERS general manager, Mr K. W. Edwards, will be a member of Australia's first trade mission to China in May.

The Minister for Overseas Trade, Dr Cairns, will lead the mission.

It will represent exporting, importing, banking and Government interests and will be in China for two weeks from May 13.

The chairman of B.H.P., Sir Ian McLennan, will lead the business contingent.

Dr Cairns said that the mission would be a milestone in developing friendly and valuable relations with China after the establishment of diplomatic relations.

Sir Thomas Wardle, a former Lord Mayor of Perth, and managing director of Tom the Cheap (W.A.) Pty Ltd, will also be a member of the mission.

Dr Cairns said Australia was keen to explore all opportunities for increasing trade with China.

The mission would assess general trade prospects and the likely market for specific products.

The firms to be represented are either wholly-owned by Australians or have a substantial Australian equity.



Mr. K. W. Edwards



CO-OP LITERATURE—CAN YOU HELP?

CO-OP Digest has received a request for donations of books to the library at the Co-operative College in Papua-New Guinea.

State federations and associations or individual co-operatives may be able to help.

Mrs. K. Buick, formerly of Victoria, is a lecturer at the Co-operative College and says that the library is very short of books. Any reasonably light co-operative literature would be welcomed.

If you can help, forward the literature to Mrs Buick, P.O. Box 5796, Boroko. P.N.G.

BRIEFLY... BRIEFLY... BRIEFLY...

Two win travel award

TWO young men have been selected for the Co-operative Federation of Western Australia's youth travel award.

They are Phil Sadler, of Goomalling, who is farming on a 2,500-acre property, and Craig Kelly, who is assistant to the manager at Osborne Park Co-operative, dealing with consumer retailing, fruit and vegetable marketing and is currently involved in the organization of a credit union in association with the retailing operations.

The award will enable them to take part in a youth conference in Romania in the first two weeks of June. This conference is concerned with youth in agriculture, school co-operatives, co-operative contribution to the development of the community, youth in consumer societies and youth and international co-operative development.

Study visits will then be undertaken in other European and North American countries on subjects related

to each of their special needs.

The award program will conclude with their participation in an American Co-operative Summer Institute at an American university attended by leading co-operators, youth, young farmers and a general cross section of co-operative representatives.

THE South Pacific Commission invited Mr Bill Kidston to act as consultant and to deliver a Paper at the Regional Pacific Conference of the various co-operative registers.

This was held in Noumea during the third week in March. It was the first such conference held since 1965. Mr Kidston expects to carry out special government co-operative assignments in such places as Gilbert & Ellice Islands, Cook Islands and Fiji in June and July.

TAXATION

A SPECIAL committee convened by the Co-operative Federation of Australia and its various state member federations has been examining co-operative taxation as it affects the industry.

These submissions are to be used as a basis for presentation to the Federal Government's Standing Committee on Taxation.

BRIEFLY... BRIEFLY... BRIEFLY...

Trade exchange

MR I. H. Hunter, the West Australian delegate to the National Council, is the chairman of a special International Co-operative Alliance Committee concerned with the organization and development of a Co-operative Trade Exchange for National Co-operatives in the Asian and Australian Region.

Mr Hunter recently attended meetings in Thailand and Singapore concerned with the establishment of this Exchange. It will be located in Singapore and will function along co-operative lines to provide a clearing service and trade promotion service for co-operatives served by the Regional Office of the International Co-operative Alliance.

Australian trading co-operatives, both importers and exporters, are invited to make further inquiries about

N STUDY

ed by the Council of the Co-
a has received submissions from
ons presenting their views on
ts their members today.
e studied and co-ordinated and
by a leading taxation consultant
present the federation's views
elect Committee of Review of

the Exchange. Information can be obtained from the Secretary of The Co-operative Federation of Australia, 569 Wellington St, Perth, Western Australia, 6000.

VCCA courses

THE Victorian Credit Co-operative Association has published an interesting and varied education program for 1973.

Night courses are being provided in "Meeting procedures and chairmanship" and in "Management techniques".

Weekend courses are being held at Trinity College, Melbourne, in May and August on "People and planning".

A winter seminar will be held at Warburton from June 15-18. Subjects covered will be management improvement, the need for long-term planning and responsibility for growth. Further particulars are available from the Victorian Credit Co-operative Association, 182 Albert Rd, South Melbourne, Victoria. 3205.

THE 1973 annual conference of the Federation of Co-operative Housing Societies of Victoria learnt for the first time of the Federal Government's intention to reduce the funds made available to co-operative housing societies.

Previously 30 per cent of all funds made available to the states from the Commonwealth for housing purposes were allocated to co-operative housing societies to further home ownership for low-income earners.

The Federal Government has indicated that from July, 1973, the figure will be reduced to 20 per cent.

Co-ops have been advised that the overall figure for housing will be bigger and, therefore, the drop in allocation will not be as severe as it appears on paper.

However, it is extremely unlikely that there will be the 50 per cent increase in total allocations which would be necessary to bring the figure up to the 1971-72 allocation.

The Federal Government has indicated that the reduction is necessary to implement the policy of making more rental accommodation available to the low-income earners.

They have pointed to the fact that housing authorities throughout Australia have 93,000 families on waiting lists and that many of these

Co-op fights move to cut housing funds

families desire to rent houses.

However, no real investigation has been held to determine what percentage of these families would like to buy houses if they had the opportunity.

The conference reiterated its belief that every person who desired to own a home should be given the opportunity to do so, and called on the Federal Government to retain its allocation to co-operatives for home ownership while increasing the total allotment to housing so that state authorities could proceed with a plan to reduce the shortage of rental accommodation.

\$100m turnover

MURRAY Goulburn Co-operative Co. Ltd has recently completed amalgamations with Milford Co-operative Dairy Ltd and with Mid-Murray Co-operative Ltd.

Amalgamation of South Gippsland Milk Industries Ltd and Gippsland Amalgamated Milk Products Ltd with Murray Goulburn Co-operative is nearing finalisation.

When the two Gippsland amalgamations are completed, the group—operating as Murray Goulburn Co-operative Co. Ltd—will have a paid up capital of \$11 million and a turnover of about \$100 million.

It will draw milk from 7,700 dairy farms in Victoria and the Southern Riverina.

Murray Goulburn's aim is better service and returns for dairy farmers.



Don Harris

MR J. G. (Geoff) Conrad has taken up duty as general manager of the Victorian Credit Co-operative Association. We wish Geoff every success in his important position.

Mr Don Harris, formerly executive officer of the VCCA, has resigned to take up a position as general manager of Glen Waverley Credit Co-operative.

Don was thanked at a farewell function on March 1, for his able and dedicated work on the association.

Honey Pool plan for market control

THE chairman of trustees of the Honey Pool of Western Australia, Mr Ross Graham, has put forward an excellent scheme to give producers the option of buying back control of statutory boards marketing produce on their behalf.

Mr Graham, speaking at the pool's annual meeting, suggested that legislation setting up statutory marketing authorities should provide for levies to be deducted from proceeds by the agreement of producers.

These levies would be used as a basis for ultimate acquisition of the business conducted by the statutory board.

Certainly the accumulation of levies over a period of years has strengthened the operations of the Honey Pool, Mr Graham said. The benefits to beekeepers of direct ownership of their own marketing organisation have been considerable.

Commercial honey production is a business, as are other forms of primary production, Mr Graham pointed out.

"Processing and marketing of the product should be

conducted on a commercial basis. It is questionable whether statutory boards which are not obliged to meet competition are the best avenue of achieving optimum commercial benefits.

"In the case of the Honey Pool the whole operations are in the control of trustees elected by pool members.

"Decisions about conditions of pooling, advances, distribution, financing, etc., are made by the trustees without any possibility of veto or alteration. Action can be taken quickly, based on the commercial judgement of the trustees and management.

"One can contrast this with many examples of the delays and uncertainties which arise where statutory boards and their decisions are subject to approval of government and other bodies."

Mr Graham said that the Honey Pool had run successfully for a long time on a voluntary and competitive basis. It had normally marketed 60 per cent or more of the state's production and believed that it had great

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value to all beekeepers whether they supported honey pooling or not.

The pool last year paid a five per cent bonus amounting to \$21,000.

While the pool would like to handle a higher percentage of honey production, it believed that in an overall sense, competition had benefits in ensuring efficiency in processing and marketing of any products.

If competition resulted in loss of some honey to pooling, then this was an indication that performance and results required improvement.

— Michael Sexton.

(By courtesy—Wesfarmers News, November 30, 1972.)

* * *

THE 53rd annual conference of the Co-operative Federation of Western Australia was held on March 26-27 at the Cottesloe Civic Centre.

With its theme "Co-operatives Serve", the program was planned to demonstrate the contribution made by co-operatives in production and marketing, and the role envisaged for co-operatives in the near future as seen by the Deputy Premier of Western Australia and the principal of the Farm Management Foundation.

In conjunction with conference discussion groups of management and directors specific training sessions for both these groups of co-operative officials were held.

Program is a winner

THE Co-operative Federation of Western Australia has announced the winner of the award made available at the beginning of 1972 to the Junior Farmers' Club administering the best effort through co-operative organisation for community and/or farming industry development in their club area.

Many valuable programs were submitted by applicant clubs but the selection committee—comprising representatives of the federation and the Junior Farmers' Council—awarded the prize to the Wongan Hills Club.

This club promoted and organised a study group whose emphasis was on family group co-operation. This involved a six-week course at which an enrolment of 52 was obtained, 20 of whom were under 25 years of age.

The whole exercise was a fine example of co-operation between local government, leading educationalists, Farmers' Union, other community organisations and the Junior Farmers' Club members who undertook personal canvassing and promotion to ensure success of this first study group.

THE triennial congress of the International Co-operative Alliance held in Warsaw in October, 1972, unanimously passed the following resolution on peace.

The 25th Congress of the International Co-operative Alliance, representing over 250 million co-operators in its affiliated organizations . . . REAFFIRMS that one of its objectives, as laid down in its rules, is to work for the establishment of lasting peace and security.

REMEMBERS the calls for peace adopted at previous congresses.

STRESSES its belief that the achievement of peace remains the most urgent problem throughout the world, for until it is achieved, economic development and social progress in all fields are hindered.

EMPHASIZES that peace begins in the minds of men and urges that the spirit of co-operation be observed in all relations between individuals, groups, co-operatives and nations.

NOTES that there continue to be areas of the world where tensions and war exist, particularly South-East Asia and the Middle East, and that there also exist threats to peace in many countries practising policies of racialism and apartheid.

SUPPORTS the decision of the United Nations Assembly to convene a world conference on disarmament.

REAFFIRMS the ICA's support for the Universal Declaration of Human Rights and Resolution 2446 (XXIII)

Steps to a peaceful world

of the General Assembly of the United Nations passed in December 1968, dealing with measures for the total elimination of colonialism and new-colonialism, of all forms of racial discrimination and the policy of apartheid in particular.

WELCOMES the measures taken by governmental and non-governmental organizations towards the achievement of peace, mutual understanding, co-operation and implementation of principles of peaceful co-existence.

ENDORSES the central committee's approval, at its meeting in Bucharest in 1971, of the resolution expressing support for a European Security Conference to be held at the earliest possible date, and the banning of the production, storage and use of all biological and chemical means of warfare, and complete prohibition of all kinds of nuclear tests.

CALLS UPON governments to support and strengthen the United Nations in its

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from previous page

efforts to reduce tension and achieve peace. ASKS its member organizations to bring influence to bear on their national governments for support of the United Nations and the settlement of all disputes by negotiation, without recourse to force or threats thereof, and to work for all disarmament measures in order to bring about conditions in which resources can be made available for economic and social progress throughout the world.

In introducing the resolution to the congress delegates, Dr Mauritz Bonow, ICA president, made the following telling points:

*The 1972 year book of the Swedish International Peace Research Institute (SIPRI), a body governed by a board of outstanding scientists from both eastern and western countries, estimates the world's total yearly expenditure on arms at \$180 billion.

*The USA, USSR, Red China, Britain, France and West Germany account for 80 per cent of this astronomical figure.

*The developed nations are spending at least 20 times as much each year on arms than on economic and other support for the poorer countries.

*During the last decade, the world community has each year spent over \$15 billion on military research and development while devoting only \$4 billion a year to medical research. Research

in agriculture, population problems and environmental and resource management is given similarly low priority. *Leading scientists in the field have expressed the fear that with the new technological development in the nuclear field, even well-organized groups of terrorists may within the foreseeable future be able to obtain and use nuclear arms for blackmailing of quite other dimensions than is now the case with conventional arms.

*Trade across frontiers and the ensuing contacts is a means of lessening tensions and improving international relations. In this area the co-operative movements in all parts of the world can and do contribute to a gradual increase in international goodwill and understanding.

When we consider facts such as the foregoing, and despite our feelings of frustration over the apparent futility of the efforts of delegates to the UN Assembly, we cannot but agree with Stanislaw Trepczynski, the Assembly president, who said recently: "We must remember that even the longest debates and negotiations are much less expensive than the shortest military conflict".

Our task is to translate the words of the ICA resolution into deeds at every opportunity in the course of our day-to-day activities.

(By courtesy, Co-op Commentary, The Co-operative Union of Canada, November 23, 1972.)

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